House
REPUBLICAN
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Legislative Digest

Week of May 15, 2000 Vol. XXIX, #13, May 12, 2000

J.C. Watts, Jr.
Chairman
4th District, Oklahoma

Monday, May 15

The House Meets at 12:30 p.m. for Morning Hour and 2:00 p.m. for Legislative Business
(No votes before 6:00 p.m.)

**** Seven Suspensions**

Tuesday, May 16

The House Meets at 9:00 a.m. for Morning Hour and 11:00 a.m. for Legislative Business

**** One Suspension**

**** Two Bills Under A Rule**

Wednesday, May 17 and the Balance of the Week

On Wednesday and Thursday, the House meets at 10:00 a.m. for Legislative Business
On Friday the House will meet at 9:00 a.m. for Legislative Business

⇨To be published in a future issue of the *Legislative Digest*

Eric Hultman: *Managing Editor*
Brendan Shields: *Senior Legislative Analayst*

Courtney Haller, Jennifer Lords
& Greg Mesack: *Legislative Analysts*

House Republican Conference Legislative Digest

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World Bank AIDS Marshall Plan Trust Fund

H.R. 3519

Committee on Banking and Financial Services
H.Rept. 106-548
Introduced by Mr. Leach on January 24, 2000

Floor Situation:

The House is scheduled to consider H.R. 3519 on Monday, May 15, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Highlights:

H.R. 3519 directs the Treasury Secretary to negotiate the creation of a trust fund in the World Bank to solicit funds from public and private entities that will be used to combat the spread of HIV and AIDS in developing countries in sub-Saharan Africa. The United States will annually contribute $100 million dollars to this fund so as to potentially leverage more than $1 billion annually from other donors. The World Bank will administer these funds, with guidance from the United States and other donors, to fund programs that address HIV/AIDS prevention, education, treatment and care. The bill gives priority to countries with the highest HIV/AIDS infection rates, or that are at the greatest risk to develop high infection rates and that commit themselves to supporting a national HIV/AIDS prevention program.

Background:

Current Statistics on the Sub-Saharan AIDS Epidemic

The HIV/AIDS virus is currently ravaging the nations of sub-Saharan Africa. Though these countries compose a mere 10 percent of the world's population they are home to 23.3 million AIDS victims, almost 70 percent of the world's AIDS cases, and account for almost 80 percent of the world's AIDS deaths. In 1998 HIV/AIDS was the leading cause of deaths in sub-Saharan Africa, accounting for almost 20 percent of all deaths according to the World Health Organization (WHO). The problem continues to worsen. The AIDS epidemic is growing beyond even the most severe predictions. In 1991 the WHO estimated that by 1999 nine million people would be infected and five million dead from AIDS. Instead current estimates are two to three times those numbers. The impact of the AIDS virus on these countries is far-reaching and very serious, because it's hardest hit victims are not the adult population. The greatest victims of this epidemic are the children of Africa.

The AIDS virus has left millions of children either dead or orphaned. An estimated 7.8 million children have lost either their mother or both parents to AIDS, and according to the World Bank, in some of Africa's worst affected cities orphans already comprise 15 percent of all children. According to its January 17, 2000 edition *Newsweek* estimates that by the end of 2000 there will be 10.4 million AIDS orphans. The problem is only getting worse. An estimated 600,000 infants are infected with the HIV/AIDS virus each year through mother to child transmission.

This epidemic will ultimately have a major impact on the productivity and security of the sub-Saharan region. It is currently estimated that in many countries 40 to 50 percent of the security forces are presently infected with the HIV/AIDS virus. Currently the infection rate in the South African Army is 40 percent, and infection rates among the seven armies involved in the conflict in the Democratic Republic of the Congo have been estimated between 50 to 80 percent. Many of these armies are expected to play important peacekeeping roles in future years, but if the current trends continue they will not be able to do so, due to the impact of the AIDS virus. The AIDS virus also affects domestic production in many countries. Zimbabwe has experienced sharp declines in the production of maize and cotton among other crops due to widespread illness and death due to AIDS. The World Bank estimates that the "impending death of up to 25 percent of all adults in some countries will have an enormous impact on national productivity and earnings." The U.S. Agency for International Development (USAID) estimates that Kenya's GNP will be 14.4 percent smaller in 2005 than it would have been without AIDS.

The AIDS epidemic has also dramatically lowered the life expectancy in most sub-Saharan countries. UNAIDS reports that life expectancy at birth in southern Africa will fall to 45 years by 2015. In the early 1990's it stood at 59. The Kenyan minister of public health said on December 10, 1999 that life expectancy in his country had dropped from 60 to 45 years.

Current Programs and Expenditures on AIDS Prevention

Approximately $350 million dollars were given by international donors to provide for programs combating AIDS in FY 2000. The United States contributed roughly half that amount. Most experts agree that the resources needed to combat the AIDS epidemic will far exceed those levels. UNAIDS and the Francois-Xavier Bagnoud Center for Health and Human Rights estimate that HIV/AIDS is spreading three times faster than the resources available to control it. The World Bank recently estimated that $1 - $2.3 billion is needed to combat the spread of AIDS in Africa alone.

Provisions of H.R. 3519:

H.R. 3519 proposes to create a fund that will provide adequate funding to combat AIDS in Africa by leveraging a U.S. contribution of $100 million annually to generate potentially more than $1 billion annually. The trust fund will be administered by the World Bank, which has developed a strategy to combat HIV/AIDS and has made that its top priority for the sub-Saharan region. The World Bank is also one of the six co-sponsoring members of UNAIDS. The trust fund approach allows donors to target their contributions at specific HIV/AIDS programs under the administration of the World Bank.

Title I

Title I of H.R. 3519 directs the Treasury Secretary to enter into negotiations with member nations of the World Bank and with other interested parties to create a trust fund that is authorized to solicit and accept contributions from public and private entities to be used to address the HIV/AIDS epidemic in eligible countries. The program will provide only grants to support efforts by national and local governments to lead and implement affordable AIDS/HIV prevention, education, treatment, drugs and care services, as well as to coordinate with other AIDS prevention and treatment agencies.

The trust would give priority to (1) countries with the highest HIV/AIDS infection rates; (2) those at the greatest risk to develop a high infection rate; (3) governments that are committed to combating the epidemic, invest in early prevention programs, require various groups and agencies to cooperate and work together (including community, governmental, and religious leaders), use a decentralized participatory approach to bring prevention to a national scale, and have a high level of community participation in government policy making and implementation of programs to combat HIV/AIDS.

The World Bank will administer the trust fund subject to guidelines established by the United States and other member countries of the trust fund. The trustees will establish criteria for selecting projects to be awarded grants, however the United States and other donors must approve the selection criteria. No grants can be used for project development associated with bilateral or multilateral development bank loans. The trustees will also ensure that the trust fund makes prompt and full public disclosure of its proposed objectives, operations and financial organization. Also, the President of the United States and representatives of other donors will appoint an advisory board to provide guidance on projects receiving support from the trust fund.

Title II

This title authorizes $100 million dollars to be annually appropriated for FYs 2001-2005 for payment to the trust fund. The version of the bill originally reported from the Banking and Financial Services Committee authorized $200 million annually, however a manager's amendment reduced the amount to $100 million.

Title III

Under Title III the Treasury Secretary is obligated to submit an annual report to the appropriate committees in Congress, starting one year after enactment of this bill, on the trust fund, its goals, projects, and activities. The appropriate committees in the House are: Appropriations, International Relations, and Banking and Financial Services.

Title IV

Title IV directs the U.S. Executive Director at the World Bank to encourage the bank to work with sub-Saharan countries to modify and develop new projects to address HIV/AIDS, including health care systems that help distribute affordable drugs to combat the virus.

Costs/Committee Action:

At press time the CBO has not performed a cost estimate on the bill.

The bill was reported from the Banking and Financial Services Committee by a vote of 27-4 on March 15, 2000.

Greg Mesack, 226-2305

Designating the Daniel Patrick Moynihan United States Courthouse

S. 2370

Committee on Transportation and Infrastructure
No House Report Filed
Introduced by Senator Schumer on April 4, 2000

Floor Situation:

The House will consider S. 2370 under suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended and requires two-thirds majority vote for passage.

Summary:

S. 2370 designates the Federal building located at 500 Pearl Street in New York City, New York, as the Daniel Patrick Moynihan United States Courthouse. The bill honors Senator Pat Moynihan for all he has accomplished throughout his 47-year career in public service as legislator, scholar, reformer, teacher, and builder.

Background:

Daniel Patrick Moynihan was born in Tulsa, Oklahoma on March 16, 1927. He served in the United States Navy from 1944 to 1947. In 1966 he completed twenty years in the Naval Reserve and retired. He earned his bachelor's degree from Tufts University with honors and his M.A. and Ph.D. from Tufts University's Fletcher School of Law and Diplomacy. Senator Moynihan has taught at MIT, Harvard, Syracuse and Cornell, and has received 60 honorary degrees during this time.

Senator Moynihan was first elected to the United States Senate in 1976 and was reelected for three successive terms. He served as Chairman of the Senate Finance Committee and Committee on Environment and Public Works. Senator Moynihan is also a member of the Senate Rules Committee, Joint Committee on Taxation and the Joint Committee on the Library of Congress. He is the only person in the nation's history to serve in four successive administrations as a member of the Cabinet or sub-Cabinet. Senator Moynihan served four presidents, two from each party, and has served as an ambassador to India as well as the President of the United Nations Security Council.

Since 1977, he has been an important figurehead in the United States Senate. Furthermore, he involved himself in the physical architecture of Washington D.C. and New York City. During the Kennedy Administration, he was responsible for the renovation of Pennsylvania Avenue and was once the staff director for the Ad Hoc Committee on Federal Office Space. In 1961, Senator Moynihan wrote a book called "Guiding Principles of Federal Architecture". He was responsible for reawakening that city's appreciation for its architectural heritage, which included the restoration of the Beaux-Arts Custom House at Bowling

Green in Lower Manhattan and in Buffalo, which is home to Frank Lloyd Wright houses and the Prudential Building, one of the best-known early American skyscrapers by the architect Louis H. Sullivan.

Committee Action:

S. 2370 passed the Senate without amendment by Unanimous Consent on May 4, 2000. The bill was referred to the Committee on Transportation and Infrastructure on May 8, 2000.

Sam Shaw, 226-2302

Naming a Room in Honor of G.V. "Sonny" Montgomery

H.Res. 491

Committee on Transportation and Infrastructure
No Report Filed
Introduced by Mr. Pease on May 5, 2000

Floor Situation:

The House will consider H.Res. 491 under the suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires two-thirds majority vote for passage.

Summary:

The resolution names a room in the House of Representatives wing of the Capitol in honor of former Representative G.V. "Sonny" Montgomery. Congressman Montgomery was elected to the House of Representatives in 1966 and served for 30 years. He was Chairman of the Veterans' Affairs Committee for 14 years and served 25 years on the National Security Committee. Mr. Montgomery, from Mississippi, since his election to the House and beyond his retirement in 1996, has facilitated the House of Representatives Prayer Breakfast at 8 a.m. every Thursday morning in Room H-130 of the Capitol. The resolution establishes room H-130 as the G.V. "Sonny" Montgomery Room, in honor of this beloved representative from Mississippi.

Committee Action:

The bill was not considered by a committee.

Sam Shaw, 226-2302

Designating The John J. Buchanan Post Office Building

H.R. 1377

Committee on Government Reform
No Report Filed
Introduced by Mr. Weller *et al.* on April 13, 1999

Floor Situation:

The House is scheduled to consider H.R. 1377 under suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 1377 designates the post office on 9308 South Chicago Avenue in Chicago, Illinois, as the "John J. Buchanan Post Office Building." Mr. Buchanan retired in April 1999 after serving as Alderman for the 10th Ward in Chicago for over 20 years. Leaving the area only once for service in the U.S. Navy, he has lived in Chicago's 10th Ward all his life. Mr. Buchanan was first elected to office in 1963 and served until 1971. From 1972 until 1977, he served as a Coordinator of Economic Development for the Chicago Mayor's Office. While there, he successfully instituted programs for the retention and attraction of new business and industry. In 1991, he was once again elected as an Alderman. He presently serves on the Board of Directors of several community organizations, including the Hegewisch Chamber of Commerce, South Chicago YMCA, Southeast Alcohol and Drug Abuse Center, and Trinity Hospital Governing Council.

Committee Action:

The Government Reform Committee reported the bill by voice vote on May 19, 1999.

Christina Carr, 226-2302

The Cross-Border Cooperation and Environmental Cleanup in Northern Europe Act
H.R. 4249

Committee on International Relations
No Report Filed
Introduced by Mr. Gejdenson *et al.* on April 12, 2000

Floor Situation:

The House is scheduled to consider H.R. 4249 under suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 4249 allows for not more than $2 million dollars be allotted from the Foreign Assistance Act of 1961, the Support for Eastern European Democracy Act, and not more than $2 million dollars be allotted from the Emerging Eurasian Democracies and Open Markets Support Act of 1992 to support environmental cleanup and public health projects under the United States Northern Europe Initiative. Furthermore, the bill requires a report from the Secretary of State, no later than 180 days after enactment, on the threat that Russian marine nuclear reactors pose to the environmental security of European and Asian nations, and to identify new ways to provide multilateral assistance to clean up Northwest Russia. In addition the measure also includes a resolution expressing the sense of Congress that Russian President Vladimir Putin conclude pending nuclear waste management agreements that will allow international assistance programs to progress.

Background:

In the post cold war era Russia and its former states have been unable to find the funding to properly dispose of the nuclear waste produced by decommissioned nuclear submarines. These subs are sitting in Russia's northern ports growing into an environmental catastrophe. Russia does not have the resources to dispose of the reactors from its fleet. Some examples of the potential catastrophe include nearly 60 nuclear submarines in the Murmansk area that are in danger of sinking, 21,000 spent fuel assemblies lying exposed near Andreeyava Bay, and radioactive liquid waste improperly stored on floating barges.

Costs/Committee Actions:

At press time the CBO had not released a cost estimate.

The bill was reported from the International Relations Committee by voice vote on May 4, 2000.

Greg Mesack, 226-2305

Commending the Republic of Croatia for the Conduct of its Parliamentary and Presidential Elections

H.Con.Res. 251

Committee on International Relations
No House Report Filed
Introduced by Mr. Radanovich on February 15, 2000

Floor Situation:

The House will consider H.Con.Res. 251 under suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires two-thirds majority vote for passage.

Summary:

The resolution expresses the sense of Congress that the Republic of Croatia is to be congratulated on successful parliamentary and presidential elections. Furthermore, the outgoing Government of Croatia is to be commended for the democratic standards with which it managed the elections. The resolution suggests that the United States support the efforts of the new Government of Croatia to increase its work on refugee return, privatization reform, media reform, and further cooperation with the International Criminal Tribunal for Former Yugoslavia (ITCY). Congress strongly supports Croatia's commitment to western democratic standards and will give its full support to the new Government to fully implement democratic reforms. The resolution promotes Croatian-American economic, political and military relations in addition to recognizing Croatia as a loyal partner in south central Europe. Finally, the resolution recommends establishing a strategic partnership with the Republic of Croatia and supports its membership in the North Atlantic Treaty Organization's Partnership for Peace program and its accession into the World Trade Organization.

The Croatian government has struggled in the past with establishing fair and democratic elections. The fourth Croatian parliamentary elections, held on January 3, 2000 marked Croatia's progress toward meeting its commitments as a participating state of the Organization on Security and Cooperation in Europe (OSCE) and as a member of the Council of Europe. Croatia's third presidential elections were conducted smoothly and professionally and concluded on February 7, 2000 with the landslide election of Stipe Mesic as the new President of the Republic of Croatia. The free and fair elections in Croatia, and the following peaceful and orderly transfer of power from the old government to the new, is an example of democracy to the people of other nations in the region and a major contribution to the democratic development of southeastern Europe. The people of Croatia have made clear that they want their country to develop a closer and more constructive relationship with the Euro-Atlantic community of democratic nations.

Committee Action:

The Committee on International Relations reported the resolution by voice vote on May 4, 2000.

Sam Shaw, 226-2302

Congressional Oversight of the Nuclear Transfers to North Korea Act

H.R. 4251

Committee on International Relations
No Report Filed
Introduced by Mr. Gilman *et al.* on April 12, 2000

Floor Situation:

The House is scheduled to consider H.R. 4251 under suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 4251 makes technical changes to the "North Korea Threat Reduction Act of 1999" so that a report to Congress by the President certifying that North Korea meets the seven stipulations of the Act will no longer lift the Threat Reduction Act's restrictions. Under the bill, the President must report to Congress, and Congress must also pass a joint resolution agreeing to the same conditions before restrictions listed in the Act will be lifted. The bill stipulates that once one house passes the resolution it will transmit it to the other house where it will not be considered by a committee and will only be considered for final passage as transmitted. In addition, it also expands the "Threat Reduction Act" by expanding it to include items on the Export Trigger List of the Nuclear Suppliers Group.

Background:

The FY 2000 State Department Appropriations Act, which later became part of the Consolidated Appropriations Act (*P.L. 106-113*), contained the North Korea Threat Reduction Act of 1999. This act requires that: (1) no agreement for cooperation between North Korea and the United States will become effective; (2) no license will be issued for export to North Korea, of nuclear materials, facilities, services, technology or components; and (3) no approval will be given for transfer to North Korea of nuclear materials, facilities until the President reports to Congress that North Korea has met seven criteria.

These criteria are that North Korea: (1) is in full compliance with its safeguards agreement with the International Atomic Energy Agency (IAEA); (2) permitts the IAEA full access to all additional sites and information deemed necessary by the IAEA to verify North Korea's report of May 4, 2000 to the agency; (3) is in compliance under the Agreed Framework; (4) has consistently taken steps to implement, and is in compliance with, its Joint Declaration on Denuclearization; (5) does not have uranium enrichment or nuclear reprocessing facilities; (6) does not have nuclear weapons and is not making a significant effort to acquire, develop, test , produce, or deploy such weapons; and (7) that the transfer of nuclear components to North Korea under the Agreed Framework is in the national interest of the United States.

The Agreed Framework mentioned above is the "Agreed Framework Between the United States and the

Democratic People's Republic of Korea," signed in Geneva on October 21, 1994. The "Threat Reduction Act" arose out of North Korea's continued development of nuclear weapons, despite agreements to cease such activities in exchange for heavy oil and nuclear facilities, and its refusal of inspections by the IAEA, despite agreements to allow such inspections.

Costs/Committee Action:

CBO estimates that costs imposed by the mandates in the bill would not exceed the threshold established in UMRA in any of the next five years ($109 million in 2000, adjusted annually for inflation).

A committee did not consider the bill.

Greg Mesack, 226-2305

The Impact Aid Reauthorization Act of 2000

H.R. 3616

Committee on Education and the Workforce
Report 106-504
Introduced by Mr. Hayes *et al.* on February 10, 2000

Floor Situation:

The House is scheduled to consider H.R. 3616 on Monday, May 15, 2000 under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 3616 is designed to help school districts deal with the loss of tax revenues that result from a heavy presence on federally owned land and property. It makes changes to the current payment formulation to ensure an equitable distribution of funds, especially for small school districts affected by federal property. H.R. 3616 incorporates the pilot program for "heavily impacted" school districts (included in the last two Labor/HHS Appropriations bills) into the Impact Aid law. This measure also addresses the issue of how to compensate school districts for Impact Aid revenue loss as the military privatizes more and more military housing. With recurrent problems of missed filing deadlines for applying for Impact Aid funding, H.R. 3616 establishes new procedures to ensure timely filing of applications. As the nation's schools fall into disrepair, H.R. 3616 establishes a new program to help Impact Aid schools without bonding authority, or those with health and safety hazards, to apply for the Impact Aid construction program funding. Additionally, small school districts would be guaranteed a funding floor for budgeting purposes. Finally, H.R. 3616 ensures that school districts do not lose Impact Aid funding during base-housing renovations where families are forced to move off base temporarily.

Background:

Impact Aid was originally signed into law by President Truman in 1950 to reimburse public school districts for the loss of revenue due to a federal presence or federal activity. Traditionally, property, sales, and personal income taxes account for a large portion of the average school district's annual budget. A school district's financial base can be adversely affected by 'federally connected students'; 1) children residing on Indian lands, 2) military children, 3) children residing in federal low-rent housing projects; and 4) children whose parents are civilian employees but work on federal property. Impact Aid provides a payment to school districts in lieu of taxes to assist with the basic educational needs of these federally connected students. Since the 1994 amendments, the program has been working as intended and has received significant increases in appropriations. However, there are several areas where further modifications are necessary. H.R. 3616 seeks to address these concerns.

Because Impact Aid differs from other federal elementary and secondary education programs, Impact Aid reauthorization does not address how funds should be spent, whether target children are being served, or how to hold local educational agencies (LEA) accountable for program outcomes. Instead, reauthorization issues center on how best to distribute limited Impact Aid funds to compensate LEAs for federal activities.

Provisions of H.R. 3616:

Federal property payment formula. In 1994, the formula determining LEA's maximum payment was changed to bring the actual assessed value of federal property more in line with property values in the same area. When this new method was authorized in 1994, it increased the full funding total for the estimated 250 eligible LEAs to a level approximately $300 million. Impact Aid in fiscal year 2000 was appropriated at a level of $32 million, just over 10% of the full funding under the 1994 method. Many rural LEAs would see only slight adjustments in the assessed value of their federal property when compared to the urban LEAs. As a result, urban LEAs would absorb most of the available funding while rural LEAs would see significantly lower payments. In order to maintain a funding balance between the rural and urban school districts, a funding floor for all LEAs was set at 37 percent of a LEAs FY 1994 maximum payment. (Thirty-seven percent represents LEAs actual payment as a percentage of the 1994 maximum payment.)

Heavily impacted school districts. Impact Aid funding comprises a significant portion of the budget for heavily impacted school districts, and thus it is vital that these school districts receive compensation in a timely manner. A program to address the needs of these school districts was developed and tested in both the FY 1999 and FY 2000 appropriations bills. H.R. 3616 would incorporate this program into Impact Aid law thus changing the way in which the supplemental payments are calculated and paid out. Some LEAs would see a drop from past payments, but most are willing to accept a reduction in exchange for timely payments. As a result this pilot program has been well received and extremely successful.

Private military housing. As the military privatizes more and more military housing, there is concern that LEAs may not receive adequate Impact Aid funding to make up the difference between the amount of taxes paid on such property and the amount they would have received for each child if the property had been under federal ownership. This provision would continue to count such children as on-base children, but would reduce the amount of their Impact Aid payment by the actual amount of taxes paid on the property and used for educational purposes.

Late applications for Impact Aid. In recent years, LEAs have missed application deadlines for Impact Aid, resulting in numerous amendments being added to appropriations bills to provide for these late applications. H.R. 3616 directs the Department of Education to notify every Impact Aid recipients, whose application has not been received, immediately after the due date expires. Applicants would then have sixty days to submit the application after notification. After the sixty days, the LEA would no longer be eligible for Impact Aid payments for that fiscal year. The 10 percent late filing penalty would still apply to applications received after the original filing deadline.

School Construction. A federal presence may not only impact tax revenues and expenses of local school districts, but also may also reduce or eliminate the ability of LEAs to issue bonds for construction or renovation of school facilities. H.R. 3616 establishes School Facility Modernization Grants to provide separate funding for construction, renovation, and repair funds to LEAs with hazardous conditions that threaten the health and safety of students or school personnel.

Small Schools. H.R. 3616 provides a funding floor for school districts with fewer than 1,000 children who have a per pupil average lower than the state average. This provision would guarantee them a foundation payment of no less than 40 percent of what they would receive if the program were fully funded.

Base Housing Renovation. Current law makes allowances for children who move off base during the renovation of on-base housing to continue to be considered on-base for purposes of calculating Impact Aid payments. H.R. 3616 extends this provision to cover children who move off base during periods when the housing in which they reside is demolished and new housing is built on the military base, but limits the time period to two years.

Cost/Committee Action:

CBO estimates that authorizations under the bill would total $4.8 billion (with adjustments for inflation) or $4.6 billion (without such adjustments) over the FY 2001-2005 period.

The bill was reported from the Committee on Education and the Workforce by a voice vote on February 16, 2000.

Courtney Haller, 226-6871

Expressing the Sense of Congress on In-School Personal Safety Education Programs for Children

H.Con.Res. 309

Committee on Education & Workforce
No Report Filed
Introduced by Mr. Castle *et al.* on April 13, 2000

Floor Situation:

The House is scheduled to consider H.Con.Res. 309 under suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.Con.Res. 309 expresses the sense of Congress that states should encourage their primary and secondary schools to implement quality child safety curricula so that each child receives instruction that is positive, comprehensive, and effective. The measure also recognizes the National Center for Missing and Exploited Children's 'Guidelines for Programs to Reduce Child Victimization' as one of the tools to guide the selection of quality child safety programs when local schools develop such programs.

Background:

A central element of the National Center for Missing and Exploited Children's (NCMEC) congressionally mandated mission is to prevent the victimization of children. When NCMEC examined the state of child safety education in the United States, they found that while nearly every primary and secondary school in the nation conducts some sort of child safety education program, most were inadequate to promote personal safety for children. Guidelines, such as those developed by the NCMEC are designed to help ensure that educators and child-serving organizations have the best possible tools and information to make decisions regarding safety curriculum selection and development. The NCMEC's guidelines have been endorsed and supported by many organizations serving children.

Costs/Committee Action:

This resolution was not considered by a committee.

Christina Carr, 226-2302

Expressing the Sense of the House of Representatives To Acknowledge and Highlight the Efforts of the Arapahoe Rescue Patrol of Littleton, Colorado

H.Res. 456

Committee on Education & Workforce
No Report Filed
Introduced by Mr. Tancredo *et al.* on April 3, 2000

Floor Situation:

The House is scheduled to consider H.Res. 456 under suspension of the rules on Monday, May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.Res. 456 expresses the sense of the House of Representatives that Congress recognizes the Arapahoe Rescue Patrol of Littleton, Colorado for its 43 years of service to the local community and strong commitment from young adults. The resolution also recognizes the rescue patrol for teaching young adults a sense of commitment, responsibility, and belonging.

Since 1957, the patrol has assisted law enforcement agencies by gathering students from the community to participate in search and rescue efforts, assist in emergencies, and aid in automobile accidents and fires. Stan Bush founded this program to gather volunteers for community service in Littleton, Colorado. Over a thousand students have participated in the program and have been involved in 2,226 rescue missions and contributed thousands of hours of community service.

Committee Action:

This resolution was not considered by a committee.

Christina Carr, 226-2302

Honoring Nation's Law Enforcement Officers

H.Res ___

H. Rept. 106___
Introduced by Rep. Jim Ramstad on May 12, 2000.

Floor Situation:

The House is scheduled to consider H.Res. ___ under suspension of the rules Monday May 15, 2000. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.Res. ___ establishes that (1) all peace officers slain in the line of duty and all peace officers who risk their own personal safety and well-being to protect this nation's citizens should be honored and recognized; and (2) the President should issue a proclamation calling upon the people of the United States to honor and recognize slain peace officers with appropriate ceremonies and respect, and to honor and recognize the sacrifices and risks taken daily by all peace officers.

Background:

Our nation's law enforcement officers preserve and protect the safety and well being of all the citizens of this country. Everyday 740,000 men and women risk their personal safety to fight crime and safeguard our citizens. Peace officers are on the front line in our nation's schools and on our nation's streets, preserving our children's right to learn in schools that are free of violence and our citizen's right to safe communities. While on duty 134 peace officers lost their lives in 1999, bringing the total number who have made that supreme sacrifice to 15,000. Currently, one officer on average dies every 54 hours, and thousands more are assaulted and injured every year. Honoring Nation's Law Enforcement Officers provides an opportunity to honor and recognize the officers who have died in the line of duty, and to affirm our nations thanks to the officers who put their lives on the line on a daily basis to protect our citizens.

Committee Action:

The resolution was not considered by a committee.

Eileen Harley, 226-2302

Internet Access Charge Prohibition Act

H.R. 1291

Committee on Commerce
H.Rept. 106-___
Introduced by Mr. Upton on March 25, 1999

Floor Situation:

The House is expected to consider H.R. 1291 on Tuesday, May 16, under suspension of the rules. It is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

Summary:

H.R. 1291 amends the Communications Act of 1934 to block the Federal Communications Commission's (FCC) ability to impose per-minute charges on consumers' Internet access services, when those charges are intended for support of universal service. In addition, the bill includes a savings clause that preserves the FCC's authority to continue addressing the issue of access charges as they relate to Internet telephony services.

Background:

The FCC's interstate access charge was established in 1983 to require long distance carriers, such as AT&T and Worldcom, to compensate local exchange carriers (*e.g.*, Bell Atlantic, SBC, GTE) for the cost of originating and terminating long distance telephone calls, as well as to provide support for universal telephone service in high-cost and rural areas. Whenever, a consumer makes a long distance telephone call, a long distance carrier pays a per-minute usage fee (in addition to other per-line fees) to the local exchange carrier that originates and terminates the long distance call. These per-minute and per-line fees are more commonly known as "access charges." Under current FCC rules governing per-minute access charges, long distance carriers (and ultimately their consumers) pay local exchange carriers roughly 2.4 cents for each minute of long distance service.

At the same time when access fees were determined, the FCC specifically exempted information service providers from having to pay interstate access charges. The term "information service provider" (which the FCC historically referred to as "enhanced service providers") covers a broad range of non-telecommunications service providers (i.e., Internet service providers (ISPs) like America Online and Mindspring). Accordingly, when a consumer logs on to the Internet via a local call to an ISP, the ISP and its subscribers do not pay the per-minute access charges that a consumer of long distance services would have to pay, irrespective of whether the consumer surfs Web sites in distant locations. The FCC based its decision on the fact that the information services industry was in its infancy as of 1983. Moreover, the FCC was concerned that, if required to pay per-minute access charges, ISPs would inflict "rate shock" on their subscribers. Consumers tend to stay on-line an average of 45 minutes, whereas the average telephone call lasts roughly five minutes.

The Internet Tax Freedom Act (passed as part of the Omnibus Appropriation Act of 1999) created the Advisory Commission on Electronic Commerce to study a variety of issues related to the taxation of electronic commerce, Internet access, and telecommunications services. The Commission presented its final report to Congress on April 12, 2000. While only a few of the proposals before the Commission received the two-thirds vote needed to qualify as a formal recommendation of the Commission, one proposal that received broad support was a recommendation that Congress should permanently ban taxes on, and regulation of, Internet access services.

Costs/Committee Action:

CBO estimates that H.R. 1291 affects direct spending and receipts so pay-as-you-go apply, but that any such effects will be negligible.

The Commerce Committee reported the bill by voice vote on May 10, 2000.

Brendan Shields, 226-0378

FY 2001 Military Construction Appropriations Act
H.R. 4425

Committee on Appropriations
H.Rept. 106-___
Submitted by Mr. Hobson on May 3, 2000

Floor Situation:

The House is scheduled to consider H.R. 4425 on Tuesday, May 16, 2000. Appropriations bills are privileged and may be considered any time three days after they are filed. The Rules Committee is scheduled to meet on the bill at 6:30 p.m. on Monday, May 15, 2000. Additional information on the rule and potential amendments will be provided in a *FloorPrep* prior to floor consideration.

Highlights:

H.R. 4425 provides $8.6 billion ($600 million more than the president's request) for military construction. This represents 4 percent, or $293 million, more than was appropriated in FY 2000.

Specifically, the bill appropriates:

* $3.7 billion for military construction projects ($534 million more than the president's request and $286 million less than in FY 2000);

* $3.6 billion for family housing ($78 million more than the president's request and $53 million less than last year);

* $1.2 billion for base realignment and closure accounts (equal to the president's request and $502 million more than last year).

Background:

The military construction (MilCon) appropriations bill provides funding for new building construction, revitalizing existing facilities, complying with environmental codes and standards, and all costs associated with closing or realigning military installations. Specific examples of past projects include building base housing for military families, hazardous material storage facilities, child care facilities, underground fuel storage tanks, airplane runways, dining hall renovations, and waste water treatment plants. The military construction appropriation's bill has traditionally been the least controversial of the 13 appropriations bills. Military construction accounts are made available for obligation for five years and only part of the money is obligated in the initial year of availability. All the other appropriations bills must be fully funded, or obligated, for each year.

Through the years, as the defense budget has been allocated for weapons, R&D, and O&M, military facilities continue to age and are being built or refurbished at a slower pace. DOD estimates that 42 percent of the enlisted force and 27 percent of the officers live alone. Thirty percent of the single service men live in private off-base housing, but 70 percent (416,463 men and women) of the servicemen and women have to live in DOD facilities. Of that DOD housing, half was built 30 or more years ago, with an average age of more than 30 years. Finally, it will currently cost more than $7 billion to properly confront the respective services' deficit count because of lack of space to single house service members or the need to replace or remove current spaces.

The percentage of service members with families has grown since the mid-1950s and will continue to grow. Furthermore, the nature of an all-volunteer force implies greater expectations for the availability, size, and amenities of family housing. The housing program, therefore, is increasingly important, not only to retain existing personnel but to recruit new ones. Housing programs provide a quality of life incentive that is directly linked to readiness, morale, and retention. However, today's volunteers must confront the reality that a decent amount of military housing is substandard. Additionally, 12 percent of military families who currently live in substandard civilian communities are far from their base, isolated, and sometimes located in unsafe neighborhoods. This type of living is on the rise because housing allowances cover only 80 percent of the cost of civilian housing and families cannot afford better accommodations.

There are about 300,000 on-base housing units that on an average are 35 years of age. Two-thirds of the inventory is over 30 years of age and needs costly annual investments for maintenance. Many of these homes have gone without necessary maintenance for some time. Finally, over half of the family housing, or 155,889 units, currently need major improvements (and even replacement) that will cost $15 billion. Continuous maintenance is necessary to deal with such problems as asbestos, corroded pipes, inadequate ventilation, faulty heating and cooling systems, and peeling lead-based paint. DOD is enforcing new standards to improve the condition of barracks, including eliminating gang latrine barracks, and implementing the 1+1 standard that provides each service member at the rank of sergeant or below an individual room plus a shared bathroom with an adjoining room. The Department is making this a priority, but speed is of the essence because poor living conditions are a strong determinant on whether service members decide to re-enlist.

Provisions:

Military Construction

The measure appropriates $3.7 billion for military construction, $535 million more than the president's request. Specifically, the bill appropriates (1) $759 million ($91 million more than the president's request) for troop barracks; (2) $43 million ($26 million more than the president's request) for child development centers; (3) $141 million ($40 less than the president's request) for hospital and medical facilities; (4) $26 million (equal to the president's request) for 8 projects needed to meet environmental compliance measures; (5) $175 million (equal to the president's request) for the chemical weapons demilitarization program; (6) $458 million ($236 million more than the president's request) for National Guard and reserve components.

Army. The measure appropriates $871 million for Army construction projects ($27 million less than the president's request and $171 million less than in FY 2000).

Navy. The bill allocates $891 million for Navy projects ($138 million more than the president's request and $10 million less than in FY 2000).

Air Force. The measure provides $704 million for Air Force projects ($173 million more than the president's request and $73 million less than in FY 2000).

Defense-Wide. The bill provides $800 million for defense-wide agencies' construction projects ($16 million more than the president's request and $207 million more than in FY 2000). Of note, this appropriation funds $84 million ($20 million less than the president's request) for the planning and construction of a national missile defense system. The funding will provide the first phase of a $489 million construction program to develop and deploy the system. The bill reduces the funding due to the uncertainty of the Department's ability to execute the full amount in FY 2001. The uncertainty comes from the unavailability of a project justification and the decisions on the site selection and whether or not to move forward with the system have not been made. If the additional funding is needed, then the committee will consider a reprogramming request for the funds. Additionally, the measure requires Ballistic Missile Defense Organization (BMDO) to justify any national missile defense construction spending 30 days before the spending those funds to the committee.

Reserve Components. H.R. 4425 appropriates $458 million for the five reserve components, providing $236 million more than the president requested but $237 million less than in FY 2000. All of the reserve components received a substantial increase over the president's request.

North Atlantic Treaty Organization (NATO) Security Investment Program

The measure appropriates $178 million ($13 million less than the president requested) for the NATO Security Investment Program. The NATO security investment program provides installations and facilities required by NATO commanders for the training and operational use of forces assigned to them to be financed collectively by the participating countries. Specifically, the program funds airfields, communication and information systems, military HQs, fuel pipelines and storage, radar, port installations, missile sites, and forward storage and support facilities for reinforcement.

Family Housing

H.R. 4425 provides $3.6 billion ($78 million more than the president's request) for family housing. Specifically, the bill appropriates (1) $820 million ($111 million more than the president's request) for family housing construction and improvements; (2) $391 million ($103 million more than the president's request) construction of 2431 new family housing units; (3) $429 million ($8 million more than the president's request) for post-acquisition construction to improve 4402 units of family housing, and (4) $2.7 billion ($33 million less than the president's request) for operation and maintenance, repair, furnishings, management, services, utilities, leasing, interest, mortgage insurance, and miscellaneous expenses.

Army. The measure allocates $1.2 billion for Army family housing ($12 million more than the president's request and $15 million less than in FY 2000).

Navy and Marine Corps. The bill provides $1.3 billion for Navy and Marine Corps family housing ($53 million more than the president requested and $66 million more than in FY 2000).

Air Force. The measure appropriates $1.1 billion for Air Force family housing (an increase of $13 million from the president's request and $106 million less than in FY 2000).

Defense-Wide. H.R. 4425 fully funds the president's request of $45 million for defense-wide family housing (an increase of $3 million from FY 2000).

Military Construction Appropriations, FY 2000

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
		(in millions)			
Military Construction					
Army	$1,042.0	$897.9	$870.0	-16.5%	-3.1%
Navy	$901.5	$753.4	$891.4	-1.1%	+18.3%
Air Force	$777.2	$531.0	$703.9	-9.4%	+32.6%
Defense Agencies	$593.6	$784.8	$800.3	+34.8%	+2.0%
Army National Guard	$227.5	$59.1	$137.6	-39.5%	+132.7%
Air National Guard	$263.7	$50.2	$110.6	-58.1%	+120.4%
Army Reserve	$111.3	$81.7	$115.9	+4.1%	+41.8%
Naval Reserve	$28.5	$16.1	$50.6	+77.8%	+214.3%
Air Force Reserve	$64.4	$14.9	$43.7	-32.1%	+194.6%
Subtotal, Military Construction	$4,009.8	$3,189.1	$3,723.9	-7.1%	+16.8%
NATO Infrastructure	$81.0	$190.0	$177.5	+119.1%	-6.6%
Family Housing					
Army	$1,167.0	$1,140.4	$1,152.2	-1.3%	+1.0%
Navy and Marine Corps	$1,232.5	$1,245.5	$1,298.8	+5.4%	+4.3%
Air Force	$1,167.8	$1,049.8	$1,062.3	-9.0%	+1.2%
Defense Agencies	$41.5	$44.9	$44.9	+8.2%	0.0%
Family Housing Improvement	$2.0	$0.0	$0.0	---	0.0%
Subtotal, Family Housing	$3,610.9	$3,480.5	$3,558.2	-1.5%	+2.2%
Base Realignment and Closure Accounts					
Part IV	$672.3	$1,174.4	$1,174.4	+74.7%	0.0%
Subtotal, Base Closure	$672.3	$1,174.4	$1,174.4	+74.7%	0.0%
Scorekeeping Adjustments	-$32.0	$0.0	$0.0		
TOTALS	$8,342.0	$8,033.9	$8,634.0	+3.5%	+7.5%

Source: House Appropriations Committee

Base Realignment and Closure—(BRAC)

Since 1990 to the last appropriation, Congress has appropriated more than $20 billion for base realignment and closure since FY 1990. Funding for each round of closures is spread out over several years. Part I represents the 1988 round, Part II represents the 1991 round, Part III represents the 1993 round, and Part IV represents the 1995 round of closures. FY 1995 was the last year appropriations were provided for Part I, FY 1998 was the last year for Part II, and FY 1999 was the last year for Part III. This leaves only Part IV currently active. The targeted completion date for Part Iv is July 13, 2001. For FY

2001, the bill fully funds the president's request of $1.2 billion. Of these funds, no more than $865 million may be used for environmental restoration.

Miscellaneous Provisions

In addition to its funding provisions, H.R. 4425 includes a number of general provisions, many of which have been renewed annually. Some of these directives include:

* establishing a preference for American contractors for military construction in U.S. territories and possessions in the Pacific and on Kwajalein Atoll, or in the Arabian Gulf, except for bids by Marshallese contractors for military construction on Kwajalein Atoll;

* allowing proceeds from BRAC Part I to be transferred to the current BRAC account;

* directing the Army, Navy, Marine Corps, and the Air Force to submit to the appropriate committees of Congress a Family Housing Master Plan by June 1, 2001;

* permitting funds appropriated in prior years to be made available for construction authorized during the current session of Congress;

* directing the Secretary of Defense to report annually on specific actions that will be taken during the upcoming fiscal year to encourage NATO member states, Japan, Korea, and U.S. allies in the Arabian Gulf to assume a greater share of the common defense burden;

* restricting the expenditure of funds on foreign-made goods and services in compliance with the Buy America Act; and

* prohibiting the procurement of steel unless American producers, fabricators, and manufactures have been allowed to compete.

Costs/Committee Action:

CBO estimates that enactment of H.R. 4425 will result in discretionary outlays of $2.52 billion in FY 2001, $3.14 billion in FY 2002, $1.74 billion in FY 2003, $688 million in FY 2004, and $512 million in FY 2005 and beyond.

The Appropriations Committee reported the bill by voice vote on May 9, 2000.

Other Information:

"Appropriations for FY 2000: Military Construction," Mary T. Tyszkiewicz, *CRS Report RL30210,* June 15, 1999; and "Military Construction Bill Advances," *Congressional Quarterly*, June 13, 1998, pg. 1630.

Brendan Shields, 226-0378

The Comprehensive Budget Process Reform Act of 1999
H.R. 853

Committee on the Budget
H.Rept. 106-198, Part I-III
Introduced by Mr. Nussle on February 25, 1999

Floor Situation:

On Tuesday, May 16, 2000 the House is scheduled to consider H.R. 853. The rule allows for 90 minutes of general debate with 40 minutes equally divided between and controlled by the chairman and ranking minority member of the Committee on the Budget, 30 minutes equally divided between and controlled by the chairman and ranking minority member of the Committee on Rules, and 20 minutes equally divided between and controlled by the chairman and ranking minority member of the Committee on Appropriations. In lieu of amendments recommended by the Committees on Budget, Appropriations, and Rules now printed in the bill, H.Res. 499 makes in order to consider the amendment, consisting of the text of H.R. 4397, in the nature of a substitute as an original bill for the purpose of amendment. This rule provides for consideration of only those seven amendments printed in the Rules Committee report accompanying the resolution, in the order printed, by the member designated, and for the time specified in the report equally divided between the proponent and opponent of the amendment. The rule waives all points of order against the amendments printed in the Rules Committee report and provides for one motion to recommit with or without instructions.

Background:

Legislation to improve the process by which Congress budgets and appropriates trillions of dollars of public money every year has been introduced in recent Congresses. This bipartisan bill amends the Congressional Budget and Impoundment Act of 1974 to keep pace with the changes in the federal government's budgetary processes that have evolved over the years. This legislation promotes consensus, responsibility, accountability, and discipline in the way the federal government handles the public's money.

Major Provisions of H.R. 853 Making Changes to Current Law:

Budget Resolution with the Force of Law. Under current law, Congress and the President each have their own vehicles for establishing overall budget priorities. The President is required annually to submit a budget for the U.S. Government containing his budget priorities. This budget has no legal force and the Congress is free to adopt, ignore, or revise these priorities as it considers its own budget resolution. The Budget Enforcement Act of 1990 (BEA) requires the Congress to adopt a concurrent resolution on the budget, which sets the broad budgetary parameters for subsequent spending and tax legislation. This concurrent resolution is not submitted to the President and does not have the power of law. H.R. 853 changes the current nonbinding concurrent resolution to a joint budget resolution which is signed into law by the President with the force of law. In the event the President vetoes the joint budget resolution, the Congress may adopt a concurrent resolution. In order to focus deliberations on broad budget priorities, the current 20 budget categories are replaced with total spending divided into the following categories: discretionary, mandatory, emergencies and interest. This spending can then be easily contrasted with revenue levels.

Emergency Spending. Under the Budget Act of 1990, any spending designated as emergency by both the Congress and the President does not affect the aggregate spending levels established in the budget resolution. The BEA does not impose limitations on emergency appropriations. H.R. 853 requires the President and Congress to create a separate fund within the budget for emergencies. This measure establishes the following criteria for future emergency designations: 1) funding for "loss of life or property, or a threat to national security," and 2) an "unanticipated" situation, meaning that it is sudden, urgent, unforeseen, and temporary. Emergency funding will only be released for bills that meet the emergency criteria. Finally, the emergency reserve fund would equal a 5-year average of emergency spending.

Enforcement of Budgetary Decisions. Currently, both the House and Senate are prohibited from considering spending and tax legislation before the budget resolution is agreed to. Once the budget resolution is adopted, legislation exceeding the resolution's budget aggregates and allocations is subject to a point of order on the floor. When a bill is brought to the floor without having been reported by the committee of jurisdiction, it is not subject to a point of order since the restrictions do not apply to original bills.

H.R. 853 requires each bill report to include a statement from the Budget Committee determining whether the bill complies with the budget resolution. The Rules Committee must then justify any rule that waives Budget Act points of order. Additionally, it requires that the Congressional Budget Office (CBO) to provide estimates to accompany conference reports whenever practicable, other than tax bills which are scored by the Joint Committee on Taxation.

Accountability for Federal Spending. Currently, authorizing committees have strong incentives to create mandatory programs not subject to the annual appropriations process. Mandatory programs do not compete with discretionary programs for limited funding under the Budget Enforcement Act allocations and permanent programs do not have to be reauthorized, avoiding periodic offsets.

H.R. 853 requires committees at the beginning of each Congress to submit schedules for reauthorizing all laws, programs, or agencies in their jurisdictions, including entitlements, except Social Security. This measure prohibits the consideration of any bill, amendment, motion, or conference report that authorizes a new entitlement program unless the program is limited to a period of 10 years or fewer. The Budget Committee must justify any amount allocated in the budget resolution to an authorizing committee to create or expand an entitlement. This measure establishes a procedure to 1) allow new entitlements to be subject annual appropriations and 2) hold the Appropriations Committee harmless for new discretionary spending that is offset with reductions in direct spending. H.R. 853 requires that CBO estimates cover a period of 10 fiscal years. Currently, there is no requirement for a vote to increase the public debt. H.R. 853 requires a vote by repealing House Rule 23.

Long-Term Obligations. Congress is required for any bill increasing taxpayer' liabilities for Federal insurance programs to account for it in the budget process by applying risk-assumed budgeting for these obligations. Once taxpayer liability for a program is determined, Congress and the President are required to show the long-term liabilities of Federal insurance programs alongside their traditional presentations of the cash transactions of these programs. H.R. 853 changes the accounting process used for Federal insurance programs from cash-based budgeting to accrual accounting. Estimates of long-term liabilities will be fully integrated into the President's budget submission, the joint budget resolution, and all budgetary projections and cost estimates. These new provisions will be applied to new insurance programs of the Federal Government, and the following programs: Bank and Thrift Deposit Insurance; Credit Union Share Insurance; Pension Benefit Insurance; Federal Life Insurance; Veterans Mortgage Life Insurance; National Flood Insurance; Federal Crop Insurance; Political Risk Insurance (the Overseas Private Investment Corporation); Federal War-Risk Insurance; and the National Vaccine Injury Compensation Program. The Federal Government's social insurance, retirement, and medical insurance programs are exempt from these provisions.

In addition to shifting to risk-assumed budgeting for insurance programs, this measure requires CBO and OMB to report periodically on long-term budgetary trends. These reports will focus on both the long-term trends of major entitlements and the impact of long-term Federal spending and taxation on the economy, including such factors as inflation, foreign investment, interest rates, and economic growth.

Baselines and Byrd Rule. Currently, the President's budget and the Congressional budgets establish different baselines for spending and revenue. H.R. 853 establishes uniformity by requiring the President's budget, Congressional budget resolutions, and CBO cost estimates be compared with prior year spending levels. Furthermore, CBO and OMB are required to report on the reasons for growth in federal entitlement spending, including: legislation, inflation, beneficiaries, and the frequency with which expensive medical technologies are used in medical insurance programs.

Views:

The Republican Leadership supports passage of H.R. 853. The Administration has serious concerns about emergency spending reserves, actual accounting, and baseline spending. The president has threatened a veto if the following provisions are adopted: biennial budgeting, spending lock boxes, pay-go reforms, or establishment of an automatic continuing resolution.

Costs/Committee Action:

H.R. 853 does not provide direct spending authority, so pay-as-you-go procedures would not apply to the bill.

The Budget Committee reported the measure by a vote of 22-12 on June 17, 1999. The Appropriations Committee reported the measure by voice vote on June 22, 1999.

Courtney Haller, 226-6871

FY 2001 Intelligence Authorization Act
H.R. 4392

Permanent Select Committee on Intelligence
H.Rept. 106-___
Introduced by Mr. Goss on May 8, 2000

Floor Situation:

The House is scheduled to consider H.R. 4392 on Wednesday, May 17, 2000. At press time, the Rules Committee has not scheduled a time to meet on the bill. The rule likely will impose a pre-printing requirement for any amendment to be offered, given the sensitivity and classification of the matters covered by the bill. Additional information on the rule and potential amendments will be provided to all Republican offices in a *FloorPrep* prior to floor consideration.

Summary:

H.R. 4392 authorizes appropriations for the intelligence activities of 11 federal agencies including the Central Intelligence Agency (CIA), the National Security Agency (NSA), the Defense Intelligence Agency (DIA), and the Federal Bureau of Investigation (FBI). The authorization level is classified. The funding levels and personnel ceilings for most programs are outlined in a classified annex to the committee report, which members only may review in the offices of the Permanent Select Committee on Intelligence in H-405 in the Capitol.

The bill authorizes the Director of Central Intelligence, if approved by the Director of the Office of Management and Budget, to exceed personnel ceilings by two percent if it is necessary for intelligence functions. The congressional intelligence committees are notified if any changes in these levels are made.

The bill authorizes $144 million and 356 personnel for the Intelligence Community Management Account (CMA) for FY 2001. The account pays for staff serving the CIA Director in his role as the head of the intelligence community and funds the Advanced Research and Development Committee and the Environmental Intelligence and Applications Program. From this amount, the bill authorizes a transfer of $28 million to the Attorney General for the National Drug Intelligence Subsection (NDIC), which is located in Johnstown, Pennsylvania.

Central Intelligence Retirement and Disability System

H.R. 4392 authorizes $216 million for the Central Intelligence Agency Retirement and Disability System (CIARDS) in FY 2000. CIARDS retirement benefits are available to certain CIA employees and their beneficiaries and are paid from a separate fund. Employees contribute to the program and the CIA provides matching contributions.

Central Intelligence Agency

This measure permits the deposit of miscellaneous receipts into the CIA's Working Capital Fund of the Central Services Program first authorized as part of the FY 1998 authorization (*P.L. 105-107*).

Department of Defense

This title extends the authority of the Defense Department to engage in commercial activities as security for intelligence collection activities. Additionally, the title limits the National Reconnaissance Office from using external contracting offices for the purposes of negotiating, writing, or managing future launch vehicle or launch services contracts.

Department of State

The Committee took budget action that restricts the State Department's ability to utilize funds authorized for its Bureau of Intelligence and Research pending a certification by the Director of Central Intelligence that the Department is meeting the necessary standards for protecting classified information.

General Provisions

Finally, the measure (1) authorizes an increase in the salary, pay, retirement, and other benefits for federal employees of the intelligence community; (2) stipulates that the authorization of appropriations does not constitute authority for the conduct of any intelligence activity that is precluded by the Constitution or U.S. law; (3) expresses the sense of Congress that the Director of Central Intelligence should continue awarding contracts that maximize the procurement of products produced in the United States, when such action is compatible with national security interest, consistent with operational and security concerns, and fiscally sound; (4) the Director of the CIA (or an authorized designee) may authorize travel on any common carrier that maintains or enhances the protection of sources or methods of intelligence collection or maintain or enhance the security of personnel of the intelligence community in carrying out their duties; and (5) mandates that yearly reports be submitted on the acquisition of technology relating to weapons of mass destruction and advanced conventional munitions.

Costs/Committee Action:

An official CBO cost estimate was unavailable at press time.

The Permanent Select Committee on Intelligence ordered H.R. 4392 reported by a vote of 12-0, on Wednesday, May 10, 2000.

Brendan Shields, 226-0378

FY 2001 Agriculture Appropriations Act

H.R. ___

Committee on Appropriations
H.Rept. 106-___
Submitted by Mr. Skeen

Floor Situation:

The House is scheduled to consider H.R. ___ on Friday, May 19, 2000. Appropriations bills are privileged and may be considered any time three days after they are filed. The Rules Committee will meet on the bill prior to Friday. Additional information on the rule and potential amendments will be provided in a *FloorPrep* prior to floor consideration.

Highlights:

H.R.___ appropriates $75.3 billion in FY 2001 agriculture programs, $524 million less than last year and $1.8 billion less than the president's request. The bulk of the mandatory spending goes toward (1) food stamps ($21.2 billion), (2) the Food and Drug Administration ($1.2 billion), (3) child nutrition programs ($9.5 billion), (4) the Federal Crop Insurance Corporation ($1.7 billion), and (5) the supplemental nutrition program for Women, Infants, and Children (WIC, $4 billion).

In addition, the bill increases funding for Farm Service Agency salaries and expenses by $34 million, for agriculture credit programs by $1.4 billion, Rural Housing loan authorizations by $484 million, and there is a new $35 million increase through a Special Supplemental Nutrition Program for the Women, Infants and Children (WIC) program.

FY 2001 Agriculture Appropriations

Bill Title	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Title I--Agriculture Programs	$35,436.3	$34,740.3	$34,484.0	-2.7%	-0.7%
Title II--Conservation Programs	$804.2	$878.0	$812.8	+1.1%	-7.4%
Title III--Rural Economic and Community Development Prog.	$2,187.5	$2,587.6	$2,350.7	+7.5%	-9.2%
Title IV--Domestic Food Prog.	$35,044.1	$36,264.7	$35,230.4	+0.5%	-2.9%
Title V--Foreign Asst. Prog.	$1,055.7	$1,090.8	$1,049.4	-0.6%	-3.8%
Title VI--Related Agencies	$1,112.0	$1,283.3	$1,171.3	+5.3%	-8.7%
Title VII--General Provisions	$2.3	$0.0	$4.0	+77.8%	—-
Title VII--Emergency Appropriations	$8,670.5	$0.0	$0.0	—-	—-
Committee Totals	$84,312.5	$76,844.6	$75,102.5	-10.9%	-2.3%

Source: House Appropriations Committee

Background:

The U.S. Department of Agriculture (USDA) carries out a wide variety of responsibilities through approximately 30 separate internal agencies staffed by some 100,000 employees. Agriculture appropriations fund agricultural research, marketing and export efforts, commodity price and income supports, production adjustment programs, crop and disaster insurance, subsidized farm loans, conservation activities, health and safety-related research and inspections, rural development programs, international food aid, domestic food programs (e.g., food stamps and school lunches), and the administrative expenses of operating the USDA. The funds appropriated to USDA represent about five percent of total federal government spending.

Provisions:

Title I — Agriculture Programs

H.R.___ provides almost $34.4 billion for agricultural programs in FY 2001**,** $952 million less than FY 2000 and $256 million less than the president's request.

Office of the Secretary

The bill appropriates $2.8 million for the Agriculture Secretary, an increase of $1,000 above the FY 2000 level and $78,000 less than the president's request.

Executive Operations and Various Other Administrative Expenses

The bill appropriates $124 million for various offices and administrative functions within USDA, including:

* $6.4 million for the **Office of the Chief Economist**, which is equal to the FY 2000 level and $2.2 million less than the president's request. The Chief Economist advises the Agriculture Secretary on the economic implications of USDA policies and programs and serves as the focal point for the nation's economic intelligence and analysis, risk assessment, and cost-benefit analysis related to domestic and international food and agriculture;

* $11.7 million for the **National Appeals Division**, which is $11,000 above the FY 2000 level and $892,000 less than the president's request. The division conducts administrative hearings and reviews adverse program decisions;

* $6.6 million for the **Office of Budget and Program Analysis**, wich is equal to the FY 2000 level and $184,000 less than the president's request. The Office of Budget and Program Analysis directs the USDA's budgetary functions, analyzes program and resource issues, and coordinates preparing and processing regulations and legislative programs;

Title I — Agricultural Programs

Appropriations Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Secretary	$15.4	$2.9	$2.8	-81.6%	-2.7%
Executive Operations	$35.5	$124.1	$64.5	+81.7%	-48.0%
Outreach for Socially Disadvantaged Formers	$3.0	$10.0	$3.0	0.0%	-70.0%
Departmental Administration	$34.7	$40.7	$34.7	0.0%	-14.8%
Office of Communications	$8.1	$9.0	$8.1	0.0%	-9.9%
Office of Insector General	$65.1	$70.2	$65.1	0.0%	-7.3%
Office of General Counsel	$29.2	$32.9	$29.2	0.0%	-11.2%
Office of the Assist. Sec. for Cong. Relations	$3.6	$3.8	$3.7	+2.8%	-2.9%
Miscellaneous Offices	$52.5	$39.3	$39.3	-25.1%	0.0%
USDA Buildings & Facilities	$140.3	$182.7	$150.3	+7.1%	-17.7%
Haz. Waste Management	$15.7	$30.1	$15.7	0.0%	-47.8%
Economic Research Service	$65.4	$55.4	$66.4	+1.6%	+19.8%
Nat'l Agric. Statistics Service	$99.3	$100.6	$100.9	+1.5%	+0.2%
Agricultural Research Service	$830.4	$894.3	$850.4	+2.4%	-4.9%
CSREES	$945.6	$965.3	$945.8	+0.0%	-2.0%
Office of Undersec. For Marketing and Reg.	$0.6	$0.6	$0.6	0.0%	-2.7%
Agricultural Marketing Service	$65.1	$81.5	$71.3	+9.4%	-12.6%
Animal & Plant Health Inspection Service	$443.0	$517.6	$475.2	+7.3%	-8.2%
Grain Inspection Admin.	$26.4	$33.5	$27.8	+5.2%	-17.1%
Office of Undersec. for Food Safety	$0.4	$0.6	$0.4		
Food Safety & Inspection Svc.	$649.1	$688.2	$673.8	+3.8%	-2.1%
Risk Management Agency	$64.0	$67.7	$67.7	+5.8%	0.0%
Farm Service Agency	$1,094.0	$1,287.8	$1,286.8	+17.6%	-0.1%
Office of Undersec. for Farm and Foreign Ag. Services	$0.6	$0.6	$0.6	0.0%	0.0%
Support Services Bureau	$0.0	$0.0	$0.0	—-	0.0%
Agriculture Credit Insurance	$296.2	$455.0	$455.0	+53.6%	0.0%
Federal Crop Insurance Corp.	$710.9	$1,727.7	$1,727.7	+143.0%	0.0%
Commodity Credit Corp.	$30,037.1	$27,771.0	$27,771.0	-7.5%	0.0%
Total, Title I Programs	$35,436.3	$34,740.3	$34,484.0	-2.7%	-0.7%

Source: House Appropriations Committee

* $10 million, $4 million more than the FY 2000 level and $4.6 million less than the president's request, for the **Office of Chief Information Officer** to provide policy guidance, leadership, expertise, and direction in the department's information management and technology activities;

* $4.7 million, equal to the FY 2000 level and $1.7 million less than the president's request, for the

Chief Financial Officer to provide leadership and expertise in developing department and agency programs in financial management, accounting, travel, and performance;

* $25 million for a common computing environment, $12 million more than FY 2000 and $50 million below the president's request;

* $34.7 million for departmental administration, the same amount as FY 2000 and $6 million below the president's request, to provide staff support to top policy officials and overall direction and coordination of the department. Such activities include department-wide programs for human resource management and emergency preparedness;

* $150 million for agriculture buildings, facilities, and rental payments, $10 million more than FY 2000 and $32.4 million below the president's request;

* $29 million for the **Office of the General Counsel**, equal to the FY 2000 level and $3.6 million less than the president's request, for all legal work arising from USDA's activities;

* $65 million for the **Office of the Inspector General**, equal to last year's level and $5.1 million less than the president's request, to direct audit and investigative activities within the USDA;

* $540,000 for the **Office of the Under Secretary for Research, Education, and Economics**, the same as FY 2000 and $816,000 less than the president's request;

* $15.7 million, equal to FY 2000 and $14 million below the president's request, for hazardous waste management on waste storage sites within USDA jurisdiction.

The bill also provides funds at approximately the same level as last year for several administrative programs, including: (1) $613,000 for the Assistant Secretary for Administration; (2) $560,000 for the Under Secretary for Food Safety; (3) $8.1 million for the Office of Communications; (4) $3.6 million for the Office of the Assistant Secretary for Congressional Relations to maintain liaison with Congress and the White House; (5) $635,000 for the Under Secretary for Marketing and Regulatory Programs; (6) $3 million for outreach for socially disadvantaged farmers; and (7**)** $589,000 for the Under Secretary for Farm an Foreign Agricultural Services.

Economic Research Service (ERS)

The bill appropriates $66.4 million for ERS, $1 million more than FY 2000 and $10.9 million more than the president's request. This includes money to research the effectiveness of the food stamp and WIC programs. ERS also provides economic and social science data and analysis for public and private decisions on agriculture, food, natural resources, and rural America.

National Agricultural Statistics Service (NASS)

The bill provides $100.8 million for NASS, $1.5 million more than FY 2000 and $236,000 above the president's request. NASS collects and publishes current agricultural statistics to help in making effective policy, production, and marketing decisions. Included in this amount is $15 million for the Census of Agriculture, which collects and provides comprehensive data every five years on all aspects of the agricultural economy.

Agricultural Research Service (ARS)

The bill provides almost $850.4 million for ARS, $20 million more than FY 2000 and $43.8 million less than the president's request. Created in 1953, ARS researches livestock, plant science, entomology, soil and water conservation, agricultural engineering utilization and development, and nutrition and consumer use. This account funds individual research projects, building maintenance costs for national research laboratories, and the salaries of ARS researchers. The bill also provides $39.3 million for ARS buildings and facilities.

Cooperative State Research, Education, and Extension Service (CSREES)

The bill provides $945.8 million for CSREES, $236,000 more than FY 2000 and $19,463 less than the president's request. CSREES was created in 1994 by merging the Cooperative State Research Service and the Extension Service. It works with university partners to advance research, extension, and higher education in the food and agricultural sciences and related environmental and human sciences to benefit individuals, communities, and the nation. Programs within the service are detailed below.

Research and Education. The bill appropriates $477.5 million for CSREES research and education activities, $16.6 million more than FY 2000 and $4.3 million more than the president's request, to administer agriculture research and higher education carried out by the State Agriculture Experiment Stations.

Native American Institutions Endowment Fund. The bill provides $7.1 million, 2.5 million more than the FY 2000 level and equal to the president's request, for the new Native American Institutions Endowment Fund, which supports student recruitment and retention, curriculum development, faculty preparation, and the purchase of scientific equipment at 29 tribally-owned land grant institutions. Each year, 60 percent of the interest from this endowment will be distributed among the land grant institutions on a pro rata basis (based on the Native American student count), and the remaining 40 percent will be distributed in equal shares to the institutions.

Extension Activities. The bill appropriates $428.7 million for extension activities, $4.5 million more than FY 2000 and $504,000 more than the president's request. Extension activities provide instruction and demonstrations in agricultural and home economics and related subjects. The service also provides nutrition training to low-income families, 4-H Club work, and educational assistance such as community resource development.

Animal and Plant Health Inspection Service (APHIS)

The bill appropriates $475.2 million for APHIS, $32.2 million more than FY 2000 and $42.4 million less than the president's request. APHIS protects the nation's animal and plant resources from pests and disease by conducting inspections and quarantines at U.S. ports of entry, providing scientific and technical services, and overseeing animal damage control programs.

Agricultural Marketing Service (AMS)

The bill provides $71.2 million for AMS, $6.1 million more than FY 2000 and $10.2 million less than the president's request. Created in 1972, the AMS provides market news reports, develops quality grade standards, administers USDA's laboratory accreditation program, and advances orderly and efficient marketing, distribution, and transportation of products from the nation's farms. In addition, the bill prohibits the USDA from disallowing participation by farmer-owned cooperatives in the commodity purchase program.

Grain Inspection, Packers and Stockyards Administration (GIPSA)

The bill appropriates $27.8 million for GIPSA, $1.3 million less than the FY 2000 level and $5.7 million under the president's request. GIPSA was created by the merger of the Federal Grain Inspection Service and the Packers and Stockyard Administration in 1994. It inspects, grades, and weighs various kinds of grain; grades dry beans, peas, and processed grain products; and monitors competition in order to protect producers, consumers, and industry from deceptive and fraudulent practices which affect meat and poultry prices.

Food Safety and Inspection Service (FSIS)

The bill provides $673.7 million for FSIS, $24.6 million more than FY 2000 and $14.4 million below the president's request. Created in 1981, FSIS assures that meat, poultry, and egg products (domestic and foreign) meet federal quality, labeling, and packaging standards.

Farm Service Agency (FSA)

The bill appropriates $1.2 billion for the Farm Service Agency, $192 million more than FY 2000 and $1 million under the president's request.

Created in 1994 by the Department of Agriculture Reorganization Act (DAGRA) as the Consolidated Farm Service Agency, the name was shortened in 1995. FSA administers the commodity price support and production adjustment programs financed by the Commodity Credit Corporation, the warehouse examination function, several conservation programs (see Title II) formerly performed by the Agricultural Stabilization and Conservation Service, and farm and disaster assistance loans from the former Farmers Home Administration.

The agency also conducts the Dairy Indemnity Program, which receives $450,000 for FY 2001. The Dairy Indemnity Program compensates dairy farmers and manufacturers who suffer losses from the removal of their milk from commercial markets due to product contamination by registered pesticides.

Agricultural Credit Insurance Fund (ACIF)

The bill provides $455 million—$158 million more than FY 2000 and equal to the president's request—to support $4.5 billion in loans to farmers and ranchers. This appropriation includes $18 million in farm ownership loans, $129 million in farm operating loans, and $269 million for salaries and administrative expenses. ACIF loans help producers (1) acquire, enlarge, and improve property; (2) purchase livestock, feed, equipment, seed, fertilizer, and other supplies, (3) refinance their debts, (4) take steps to conserve soil and water, and (5) recover from natural disasters. ACIF also makes loans to Indian tribes to help them acquire lands within their reservation.

Risk Management Agency (RMA)

The measure provides $67.7 million, $3.7 million more than FY 2000 and the same as the president's request, for the RMA. RMA manages program activities in support of the federal crop insurance program to provide actuarially sound crop insurance policies.

Federal Crop Insurance Corporation Fund

The bill provides $1.7 billion for the Federal Crop Insurance Corporation Fund, $1 billion more than FY 2000 and equal to the president's request. Through programs administered by the 1994 Department of Agriculture Reorganization Act (DAGRA), insurable crop producers are eligible to receive a basic level of protection against catastrophic losses, which covers 50 percent of the normal yield at 55 percent of the expected price. Producers pay $60 per policy, $200 for all crops grown in a county, with a cap of $600 per producer. Any producer who opts for catastrophic coverage may purchase additional insurance coverage at a subsidized rate. The federal crop insurance program is administered by the Risk Management Agency.

Most policies are sold and completely serviced through approved private insurance companies that are reinsured by USDA. The USDA absorbs a large percentage of the program losses, compensates the reinsured companies for a portion of their delivery expenses, and also subsidizes the premium paid by participating producers. Program losses and the premium subsidy are mandatory expenditures which are funded through the Federal Crop Insurance Fund. Because crop losses caused by natural disasters are impossible to predict, outlays of the fund are difficult to budget. Hence, the bill provides "such sums as are necessary" in the annual appropriations bill.

Commodity Credit Corporation (CCC)

The bill provides $27 billion for the CCC, $2.2 billion less than FY 2000 and equal to the president's request, to reimburse the CCC for net realized losses.

Created in 1933, the CCC is a government-owned entity for financing production adjustment programs, as well as price supports, for numerous commodities such as grains, cotton, milk, sugar, peanuts, wool, and tobacco. Its aim is to stabilize, support, and protect farm income and prices; assist in maintaining balance and adequate supply of such commodities; and facilitate their orderly distribution. The CCC serves as a funding mechanism for several USDA export subsidy programs, including the export enhancement program, export credit guarantees, and the market assistance program, and for an array of conservation programs, including the conservation reserve program, the wetlands reserve program, and the environmental qualities incentive program.

The CCC is managed by a board of directors appointed by the president and confirmed by the Senate, subject to general supervision and direction by the Agriculture Secretary. Because most of the CCC's activities are mandatory spending programs, they do not require annual appropriations. The corporation borrows money from the Treasury to fund its operations. However, because total CCC outstanding borrowing cannot exceed $30 billion, the annual appropriations bill usually contains funding to reimburse net realized losses (i.e., outlays) so the CCC does not exhaust its borrowing authority.

Title II — Conservation Programs

Title II — Conservation Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Undersecertary	$0.7	$0.7	$0.7	0.0%	-2.5%
Natural Resources Cons. Ser	$803.5	$877.3	$812.1	+1.1%	-7.4%
TOTALS	$804.1	$878.0	$812.8	+1.1%	-7.4%

Source: House Appropriations Committee

Office of the Under Secretary for Natural Resources and Environment

The bill provides $693,000, equal to the FY 2000 level and $18,000 less than the president's request, to the Office of the Under Secretary for Natural Resources and Environment to provide direction and coordination in carrying out laws concerning natural resources and the environment.

Natural Resources Conservation Service (NRCS)

The bill provides $812 million, $8.6 million more than FY 2000 and $65.1 million less than the president's request, for the NRCS. Created by the 1994 Department of Agriculture Reorganization Act (DAGRA), NRCS combines the former Soil Conservation Service and three natural resource conservation cost-share programs previously run by the Agricultural Stabilization and Conservation Service. It works together with conservation districts, watershed groups, and federal and state agencies to aid agricultural production on a sustained basis and reduce damage caused by floods, sedimentation, and pollution. Activities include the following programs:

Conservation Operations. The bill provides $676.8 million to sustain agricultural productivity and protect and enhance the natural resource base, $16 million more than FY 2000 and $70 million less than the president's request.

Watershed Surveys and Planning. The bill provides $10.8 million—$500, 000 more than FY 2000 and the president's request—to fund investigations and surveys of watersheds and other waterways.

Watershed and Flood Prevention Operations. The bill provides $83.4 million—$8.2 million less than the FY 2000 level and equal to the president's request—to facilitate cooperation between the federal government and states to prevent erosion, flood-water, and sediment damage in watersheds, rivers, and streams and to further the conservation, development, utilization, and disposal of water.

Resource Conservation and Development. The bill provides $41 million—$5.7 million more than FY 2000 and $4.7 million over to the president's request—for conservation programs including Resource Conservation and Development Program, to assist local groups in conserving land and other resources.

Title III — Rural Economic and Community Development Programs

Title III — Farm and Rural Development Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Undersecretary	$0.6	$0.6	$0.6	0.0%	-2.8%
Rural Community Advance.	$693.6	$762.5	$775.8	+11.9%	+1.7%
Rural Housing Service	$1,332.0	$1,536.2	$1,383.4	+3.9%	-9.9%
Rural Bus. Coop. Service	$54.0	$56.9	$38.2	-29.2%	-32.8%
Rural Utilities Service	$107.3	$100.9	$89.4	-16.7%	—-
TOTALS	$2,187.5	$2,457.2	$2,287.5	+4.6%	-6.9%

Source: House Appropriations Committee

The 1994 Department of Agriculture Reorganization Act (DAGRA) abolished several programs and agencies funded under this title in FY 1995, including the Farmers Home Administration, the Rural Development Administration, and the Rural Electrification Administration, and replaced them with the Rural Housing Service, Rural Business-Cooperative Service, and Rural Utilities Service. The bill appropriates $2.4 billion, $220 million more than FY 2000 and $179 million less than the president's request, for these accounts:

Under Secretary for Rural Economic and Community Development

The bill appropriates $588,000 for the under secretary, who provides direction and coordination in carrying out laws concerning the department's rural economic and community development activities. This amount is equal to the FY 2000 level and $17,000 less than the president's request.

Rural Community Advancement Program (RCAP)

The measure provides $775 million—$82 million more than FY 2000 and $13 million more than the president's request—for the RCAP, which consolidates funding for various waste and water disposal programs, distributes grants to rural businesses and enterprises. The program was authorized by the 1996 Federal Agriculture Improvement and Reform Act (FAIR). The bill allows state rural development directors to transfer up to 25 percent between projects, as long as such transfers do not result in more than 10 percent transferred nationally.

Rural Housing Service (RHS)

RHS was established in 1994. Its programs were previously administered by the Farmers Home Administration and the Rural Development Administration. The mission of the service is to improve the quality of life in rural America by assisting rural residents and communities in obtaining adequate and affordable housing and access to needed community facilities. Amounts appropriated for specific RHS programs are discussed below.

Rural Housing Insurance Fund Program Account. The bill appropriates $1.2 billion—the $88.9 million more than FY 2000 and $135 million less than the president's request—to support $5 billion in rural housing loans. This sum includes $254 million in direct loan subsidies, $7.4 million in guaranteed loan subsidies, and $375.8 million for administrative expenses. Created in 1965, RHFP makes (1) rural housing loans to farm owners, owners of other real estate in rural areas, and long-term farm leaseholders to build, improve, alter, repair, or replace houses, barns, silos, and other essential buildings; (2) rental housing loans (which must be repaid within 30 years) to individuals, corporations, and associations which provide moderate-cost rental housing to the elderly; and (3) farm labor housing loans to farm owners and private organizations to provide modest living quarters for domestic farm labor. The program is limited to rural areas with populations less than 20,000.

Rental Assistance Program. The bill provides $655.9 million—$15.9 million more than the FY 2000 level and $24.1 million less than the president's request—to help low-income families living in RHS-financed rental and farm labor housing projects pay their rent. Tenants must contribute the higher of (1) 30 percent of their monthly adjusted income, (2) 10 percent of monthly income, or (3) designated housing payments from a welfare agency. The program makes direct payments to the project owner to cover the difference between this contribution and the approved rental rate.

Mutual and Self-Help Housing Grants. The bill provides $28 million for mutual and self-help housing grants, the same as FY 2000 and $12 million less than the president's request, for grants to local organizations under which groups of usually six to ten families build their own homes by mutually exchanging labor.

Rural Housing Assistance Grants. The bill provides $39 million, $12 million less than last year and equal to the president's request, for rural housing grants for domestic farm labor, very low-income housing repair grants, rural housing preservation grants, compensation for construction defects, direct community facility loans, guaranteed community facility loans and community facility grants.

Rural Business-Cooperative Development Service (RB-CDS)

The bill provides $38.2 million in overall funding for RB-CDS—$15.7 million less than FY 2000 and $18 million less than the president's request—for FY 2001. RB-CDS was created in 1995. Its programs were previously administered through the Rural Development Administration and the Rural Electrification Administration. The service enhances the quality of life for all rural residents by assisting new and existing cooperatives and other businesses through partnership with rural communities.

Rural Development Loan Fund Program Account. The bill provides $22.8 million—$2.8 million more than FY 2000 and $13.6 million lower than the president's request. Loans go toward improving business, industry, community facilities, and employment opportunities and diversification of the economy in rural areas.

Rural Economic Development Loans Program Account. The bill provides $3.9 million in direct subsidy to this account— $458,000 more than FY 2000 and equal to the president's—which supports $15 million in zero-interest loans to electric and telecommunications borrowers to promote rural economic development and job creation projects, including funding for feasibility studies, start-up costs, and other reasonable expenses for the purpose of fostering such development.

Rural Cooperative Development Grants. The measure provides $6.5 million—$500,000 more than FY 2000 and $5 million less than the president's request—for grants to improve economic conditions in rural areas.

Rural Utilities Service (RUS)

The RUS was created in 1994 by DAGRA to administer electric and telecommunications programs of the former Rural Electrification Administration as well as water and waste disposal programs of the former Rural Development Administration. The service's objective is to improve the quality of life in rural America by administering its electric, telecommunications, and water and waste disposal programs in a service-oriented, forward looking, and financially responsible manner. The bill provides $89 million overall, which is $17.8 million less than FY 2000 and $11.5 million less than the president's request.

Rural Electrification and Telephone Loans Program Account. The bill provides $64.3 million—$18 million more than FY 2000 and $4 million under the president's request—to support $2 billion in loans to maintain and expand electricity and telephone service in rural areas.

Rural Telephone Bank Program Account (RTB). The bill provides $3 million for administrative expenses (equal to FY 2000 and the president's request) and $2.6 million in direct loan subsidies ($700,000 less than last year, and equal to the president's request) for the RTB. The bill provides for a $175 million loan level.

Distance Learning and Telemedicine Grants and Loans. The bill provides $19.5 million—$1.2 million less than FY 2000 and $7.5 million less than the president's request—for this program, which provides facilities and equipment to link rural education and medical facilities with urban facilities to provide better health care through technology.

Title IV — Domestic Food Programs

Title IV — Domestic Food Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Office of the Under Sec.	$0.6	$0.6	$0.6	0.0%	-2.8%
Child Nutrition Programs	$9,554.0	$9,546.1	$9,535.0	-0.2%	-0.1%
Commodity Assistance	$133.3	$158.3	$138.3	+3.8%	-12.6%
Women, Infants, and Children Program (WIC)	$4,032.0	$4,148.1	$4,067.0	+0.9%	-2.0%
Food Stamp Program	$21,071.8	$22,132.0	$21,232.0	+0.8%	-4.1%
Food Donation Program	$141.1	$151.1	$141.1	0.0%	-6.6%
Food Program Admin.	$111.4	$128.6	$116.4	+4.5%	-9.5%
TOTALS	$35,044.1	$36,264.7	$35,230.4	+0.5%	-2.9%

Source: House Appropriations Committee

Under Secretary for Food, Nutrition, and Consumer Services

The bill appropriates $554,000, the same as FY 2000 and $16,000 less than the president's request, for this account within the Food Program Administration (FPA). The office provides direction and coordination in carrying out the laws regarding food and consumer activities, and has oversight and management responsibilities for the Food, Nutrition and Consumer Service.

Food and Nutrition Service (FNS)

The bill appropriates $35.2 billion, $186 million more than FY 2000 and $1 billion less than the president's request, for FNS in FY 2001. This includes $116 million—$5 million more than FY 2000 and $12.1 million less than the president's request—to pay the salaries and other administrative expenses involved in administering the domestic food programs run by the FNS, as well as supporting the Center for Nutrition Policy and Promotion. Originally established in 1969, the Food Nutrition Service was renamed in 1994 pursuant to DAGRA. FNS-administered programs are described below.

Child Nutrition Programs. The bill provides $9.5 billion for child nutrition programs, which is $18.9 million less than FY 2000 and $11 million less than the president's request. This account includes the school breakfast and lunch programs, the Child and Adult Care Food Programs, summer food services, nutrition education and training programs and the Special Milk Program. In addition, the special milk program provides funding for milk service in schools, nonprofit child care centers, and camps which have no other federally-assisted food programs. The primary purpose of these programs is to improve the health and well-being of the nation's children and broaden markets for agricultural food commodities. Working through state agencies (in all 50 states, Puerto Rico, the Virgin Islands, and Guam), FNS provides both cash and foodstuffs to ensure that children receive at least one hot, nutritious meal each day.

Food Stamp Program. The bill appropriates $21.2 billion for the Food Stamp program, $160 million more than FY 2000 and $900 million less than the president's request. Established in 1964, this program is aimed at making more effective use of the nation's food supply and improving nutritional standards of needy persons and families by issuing assistance coupons which may use to purchase food in retail stores. All administrative costs associated with certifying recipients, issuing coupons, ensuring quality control, and holding hearings are shared by the federal government and the states on a 50-50 basis. Although food stamps is a mandatory entitlement program, it is subject to annual appropriations. That appropriation also includes a nutritional assistance block grant to Puerto Rico, authorized under the Omnibus Budget Reconciliation Act of 1981 (OBRA; *P.L. 97-35*), which gives the commonwealth broad flexibility in establishing a food assistance program that is specifically tailored to the needs of its low-income households.

Supplemental Nutrition Program for Women, Infants, and Children (WIC). The bill provides $4 billion for the WIC program, $35 million more than FY 2000 but $81.1 million less than the president's request. WIC safeguards the health of pregnant, postpartum, and breast-feeding women, infants, and children up to age five who are at nutritional risk by providing food packages designed to supplement each participant's diet with food that are typically lacking. Delivery of supplemental foods may be done through health clinics, vouchers redeemable at retail food stores, or other approved methods which a cooperating state health agency may select. In 1989, Congress enacted cost-containment measures to ensure that eligible participants would have access to these necessary services. It also established the WIC farmers' market nutrition program (FMNP) to (1) improve WIC participants' diets by providing them with coupons to purchase fresh foods, such as fruits and vegetables, from farmers markets; and (2) increase the awareness and use of farmers' markets by low-income households. Funds for the WIC program are provided by direct annual appropriation.

Food Donations Programs. The bill provides $141.1 million, equal to FY 2000 and $10 million less than the president's request, for food distribution programs targeted at special at-risk populations, including the elderly, needy individuals in the Pacific Island Territories, and Indians living on or near reservations who choose not to receive food stamps. Funding for the operation of this program, also know as Meals on Wheels, is contained in the Labor, Health and Humans Services appropriations bill.

Commodity Assistance Program (CAP). The bill provides $138 million, $5 million more than FY 2000 and $20 million less than the president's request for CAP. This account funds the Supplemental Food Program (CSFP), which provides supplemental foods to infants and children up to age six, and to pregnant, post-partum, and breast-feeding women with low incomes who reside in approved areas and administrative expenses for the Emergency Food Assistance Program (TEFAP), which provides commodities and grant funds to state agencies to assist in the cost of storing and distributing donated commodities to needy individuals.

Title V — Foreign Assistance and Related Programs

The bill provides $1 billion for foreign assistance and related programs, $6.3 million less than FY 2000 and $41.4 million less than the president's request.

Title V — Foreign Assistance And Related Programs

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)		(in millions)		
Foreign Agricultural Service	$113.5	$117.9	$113.5	0.0%	-3.7%
Public Law 480 Food for Peace	$942.7	$973.4	$936.4	-0.7%	-3.8%
CCC Export Loans Program Account	$3.8	$3.8	$3.8	0.0%	0.0%
TOTALS	$1,059.9	$1,095.0	$1,053.6	-0.6%	-3.8%

Source: House Appropriations Committee

Foreign Agricultural Service (FAS)

The bill appropriates $113 million for FAS, equal to FY 2000 and $4.4 million under the president's request. FAS helps U.S. agricultural interests maintain and expand foreign markets through special export programs and by securing international trade conditions that are favorable to American products. It maintains a worldwide intelligence and reporting service that provides important information on foreign agricultural policies and market conditions, and coordinates, plans, and directs the USDA's programs in international development and technical cooperation in food and agriculture.

Public Law 480 (Food for Peace) Programs

The measure appropriates $980 million—$4 million more than FY 2000 and $37 million less than the president's request—for the three main programs under *P.L. 480*, which serve as the primary means for the U.S. provision of food assistance overseas. The bill allots:

* $159 million in direct loans and $20 million for ocean freight differential costs for Title I, which provides food commercially under long-term, low-interest loan terms;

* $800 million for grants under Title II, which provides food aid for humanitarian relief through private voluntary organizations or through multilateral organizations like the World Food Program. This funding is equal to FY 2000 level and $37 million less than the president's request; and

Commodity Credit Corporation (CCC) Export Loans

The bill provides $3.8 million—equal to FY 2000 and the president's request—for the CCC to guarantee commercial loans to finance U.S. agricultural export sales. Funds in this account are used to cover the lifetime subsidy cost associated with these commitments in 2000 and beyond, as well as administrative expenses.

Title VI — FDA and Related Agencies

The bill provides roughly $1.1 billion for the FDA and related agencies, $59 million more than FY 2000 and $112 million less than the president's request.

Title VI — Related Agencies and Food and Drug Administration

Appropriation Account	FY 2000 Level	President's Request	**FY 2001 Proposal**	% Change from Last Year	% Change from Request
	(in millions)				
Food and Drug Administration	$1,049.0	$1,211.3	$1,102.3	+5.1%	-9.0%
Commodity Futures Trading Commission	$63.0	$72.0	$69.0	+9.5%	-4.2%
TOTALS	$1,112.0	$1,283.3	$1,171.3	+5.3%	-8.7%

Source: House Appropriations Committee

Food and Drug Administration (FDA)

The bill appropriates $1.1 billion for the FDA, $53 million more than FY 2000 and $109 million less than the president's request. The FDA, which is part of the Department of Health and Human Services (HHS), ensures that (1) food is safe and wholesome, (2) human and animal drugs, biological products, and medical devices are safe and effective, and (3) radiological products and use procedures do not result in unnecessary exposure to radiation. Through its regulation of food, FDA protects and promotes the health of nearly every American by monitoring the food industry to safeguard against contamination by dangerous bacteria, molds, and other natural and man-made toxins, and by regulating the safe use of veterinary drugs and feed additives to protect consumers against hazardous drug residues or by products that may remain in meat.

FDA also assures that the consumers are not victimized by adulteration, promotes informative labeling to assist consumers in choosing foods, and examines imported foods to ensure that they meet the same standards as domestic products.

Commodity Futures Trading Commission (CFTC)

The bill provides $69 million to the CFTC, $6 million more than FY 2000 and $3 million less than the president's request. The commission promotes the economic utility of futures and options markets for agricultural products and regulates the commodity futures industry and other commodities by increasing their efficiency, ensuring their integrity, and protecting participants against abusive trade practices.

Farm Credit Administration (FCA)

The measure allows $36.8 million for the FCA in FY 2001, $1 million more than FY 2000. The president requested no funding for this program. FCA is responsible for regulating, supervising, and examining the institutions of the Farm Credit System. These activities provide short- and long- term credit to our nation's farmers, ranchers, and producers of aquatic products.

Title VII — General Provisions

The bill includes several general provisions that were included in last year's appropriation. This includes $4 million for hunger fellowships, $2 million more than last year, and $115 million for apple and potato loss assistance. The president requested no funds for these programs.

Costs/Committee Action:

A CBO cost estimate was unavailable at press time.

The Appropriations Committee ordered the bill reported by voice vote on May 10, 2000.

Jennifer Lord, 226-7860